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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2010

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2010, or tax year beginning

, 2010, and ending

, 20

G Check all that apply

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name change

Name of foundation

KATZ, H.L. FNDN

A Employer identification number

51-0171174

Number and street (or P.O. box number if mail is not delivered to street address)

Room/suite

B Telephone number (see page 10 of the instructions)

1525 W.W.T. HARRIS BLVD. D1114-044

(336) 747-8186

City or town, state, and ZIP code

CHARLOTTE, NC 28288

H Check type of organization: ☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end

J Accounting method: ☒ Cash ☐ Accrual

of year (from Part II, col (c), line

16) ▶ \$ 3,555,477.

☐ Other (specify)

(Part I, column (d) must be on cash basis.)

C If exemption application is pending, check here ▶ ☐D 1 Foreign organizations, check here ▶ ☐2 Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐**Part I Analysis of Revenue and Expenses** (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions).)

(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	99,194.	96,411.		STMT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	44,542.			
b Gross sales price for all assets on line 6a	143,688.			
7 Capital gain net income (from Part IV, line 2)		44,542.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total Add lines 1 through 11	143,736.	140,953.		
13 Compensation of officers, directors, trustees, etc.	63,455.	47,591.		15,864.
14 Other employee salaries and wages		NONE	NONE	
15 Pension plans, employee benefits		NONE	NONE	
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)	750.	NONE	NONE	750.
c Other professional fees (attach schedule)				
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions)	2,627.	1,068.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings		NONE	NONE	
22 Printing and publications		NONE	NONE	
23 Other expenses (attach schedule)				
24 Total operating and administrative expenses. Add lines 13 through 23	66,832.	48,659.	NONE	16,614.
25 Contributions, gifts, grants paid	223,144.			223,144.
26 Total expenses and disbursements Add lines 24 and 25	289,976.	48,659.	NONE	239,758.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-146,240.			
b Net investment income (if negative, enter -0-)		92,294.		
c Adjusted net income (if negative, enter -0-)				

For Paperwork Reduction Act Notice, see page 30 of the instructions.

JSA

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing	NONE			
	2	Savings and temporary cash investments	154,092.	88,423.	88,423.	
	3	Accounts receivable				
		Less: allowance for doubtful accounts				
	4	Pledges receivable				
		Less: allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7	Other notes and loans receivable (attach schedule)				
		Less: allowance for doubtful accounts	NONE			
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U S and state government obligations (attach schedule)	NONE	87,133.	88,662.	
	b	Investments - corporate stock (attach schedule)	NONE	578,998.	955,654.	
	c	Investments - corporate bonds (attach schedule)	NONE	2,020,967.	2,092,265.	
	Liabilities	11	Investments - land, buildings, and equipment basis			
		Less: accumulated depreciation (attach schedule)	NONE			
12		Investments - mortgage loans				
13		Investments - other (attach schedule)	3,042,304.	264,196.	330,473.	
14		Land, buildings, and equipment basis				
		Less: accumulated depreciation (attach schedule)				
15		Other assets (describe)	NONE			
16		Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	3,196,396.	3,039,717.	3,555,477.	
17		Accounts payable and accrued expenses				
18		Grants payable				
Net Assets or Fund Balances	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe)				
23	Total liabilities (add lines 17 through 22)					
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds	3,196,396.	3,039,717.		
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds	NONE			
	30	Total net assets or fund balances (see page 17 of the instructions)	3,196,396.	3,039,717.		
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	3,196,396.	3,039,717.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	3,196,396.
2	Enter amount from Part I, line 27a	2	-146,240.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	3,050,156.
5	Decreases not included in line 2 (itemize) SEE STATEMENT 10	5	10,439.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	3,039,717.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs. MLC Co.)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV DETAIL					
b					
c					
d					
e					

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	44,542.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8.		3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	130,750.	2,908,127.	0.04496020978
2008	200,710.	3,976,303.	0.05047653562
2007	325,360.	4,726,670.	0.06883493030
2006	347,188.	3,738,459.	0.09286928117
2005	338,993.	2,805,708.	0.12082262302

2 Total of line 1, column (d)	2	0.37796357989
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.07559271598
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	3,442,036.
5 Multiply line 4 by line 3	5	260,193.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	923.
7 Add lines 5 and 6	7	261,116.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18	8	239,758.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of ruling letter if necessary - see instructions)		1	1,846.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b			
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	1,846.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	NONE
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	1,846.
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a	780.	
b Exempt foreign organizations-tax withheld at source	6b	NONE	
c Tax paid with application for extension of time to file (Form 8868)	6c	NONE	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	780.	
8 Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	1,066.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax Refunded	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ (2) On foundation managers \$		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) STMT 11		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address <u>N/A</u>				
14	The books are in care of <u>WELLS FARGO BANK, N.A.</u> Telephone no <u>(336) 747-8186</u>			
	Located at <u>1 W 4TH ST, WINSTON SALEM, NC</u> ZIP + 4 <u>27107</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country <u></u>	16	Yes	No
				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? <input type="checkbox"/> Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010? <input type="checkbox"/>	1c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <u></u>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions) <input type="checkbox"/>	2b	X
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u></u>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010) <input type="checkbox"/>	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/>	4a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010? <input type="checkbox"/>	4b	X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

- 5a** During the year did the foundation pay or incur any amount to:
- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No
- b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? ☐ Yes ☒ No
Organizations relying on a current notice regarding disaster assistance check here ☐
- c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d)
- 6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870
- 7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
- b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No

5b

6b

7b

X

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 12		63,455.	-0-	-0-

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE		NONE	NONE	NONE

Total number of other employees paid over \$50,000 ☐ NONE

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services** (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		NONE

Total number of others receiving over \$50,000 for professional services **NONE**

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments. See page 24 of the instructions.	
3 NONE	
Total. Add lines 1 through 3	

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	3,339,023.
b	Average of monthly cash balances	1b	155,430.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	3,494,453.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	3,494,453.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	52,417.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,442,036.
6	Minimum investment return. Enter 5% of line 5	6	172,102.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6	1	172,102.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,846.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,846.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	170,256.
4	Recoveries of amounts treated as qualifying distributions	4	NONE
5	Add lines 3 and 4	5	170,256.
6	Deduction from distributable amount (see page 25 of the instructions)	6	NONE
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	170,256.

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	239,758.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	239,758.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	239,758.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				170,256.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			NONE	
b Total for prior years 20 <u>08</u> , 20 <u> </u> , 20 <u> </u>		NONE		
3 Excess distributions carryover, if any, to 2010				
a From 2005	202,222.			
b From 2006	165,079.			
c From 2007	104,745.			
d From 2008	1,895.			
e From 2009	NONE			
f Total of lines 3a through e	473,941.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ <u>239,758.</u>				
a Applied to 2009, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)		NONE		
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)	NONE			
d Applied to 2010 distributable amount				170,256.
e Remaining amount distributed out of corpus	69,502.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5	543,443.			
b Prior years' undistributed income Subtract line 4b from line 2b		NONE		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		NONE		
d Subtract line 6c from line 6b. Taxable amount - see page 27 of the instructions		NONE		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions			NONE	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011.				NONE
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)	NONE			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	202,222.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	341,221.			
10 Analysis of line 9:				
a Excess from 2006	165,079.			
b Excess from 2007	104,745.			
c Excess from 2008	1,895.			
d Excess from 2009	NONE			
e Excess from 2010	69,502.			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) **NOT APPLICABLE**

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i).					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties).					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

N/A

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year SEE STATEMENT 14				
Total			▶ 3a	223,144.
b Approved for future payment				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

(See worksheet in line 13 instructions on page 29 to verify calculations.)

Line No.

Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See page 29 of the instructions.)

NOT APPLICABLE


Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
	(1) Cash	1a(1)	X
	(2) Other assets	1a(2)	X
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization	1b(1)	X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)	X
	(3) Rental of facilities, equipment, or other assets	1b(3)	X
	(4) Reimbursement arrangements	1b(4)	X
	(5) Loans or loan guarantees	1b(5)	X
	(6) Performance of services or membership or fundraising solicitations	1b(6)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule		
(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge				
	 Signature of officer or trustee		05/13/2011 Date		Trustee Title
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature		Date
					Check <input type="checkbox"/> if self-employed
	Firm's name ▶ Firm's address ▶		Firm's EIN ▶ Phone no		PTIN

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS					16,540.	
		TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS					12,508.	
13,000.00		700. TD AMERITRADE HLDG CORP PROPERTY TYPE: SECURITIES 13,670.00					12/01/2009 -670.00	12/13/2010
27,588.00		700. AGILENT TECHNOLOGIES INC COM PROPERTY TYPE: SECURITIES 27,932.00					07/11/2007 -344.00	12/16/2010
28,633.00		325. AIR PRODS & CHEMICALS INC COM W/ RT PROPERTY TYPE: SECURITIES 16,725.00					07/09/2004 11,908.00	12/16/2010
27,296.00		1600. PFIZER INC COM W/RTS ATTACHED EXP PROPERTY TYPE: SECURITIES 21,993.00					12/16/1996 5,303.00	12/16/2010
18,123.00		350. SEMPRA ENERGY COM PROPERTY TYPE: SECURITIES 18,826.00					12/01/2009 -703.00	12/16/2010
TOTAL GAIN(LOSS)					----- 44,542. =====	

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
AFLAC INC COM	376.	376.
AT&T INC	2,352.	2,352.
AETNA INC-NEW COM	20.	20.
AIR PRODS & CHEMICALS INC COM W/ RTS TO	624.	624.
ARTIO TOTAL RETURN BD FD CL I #1524	11,298.	11,298.
BANK AMER CORP COM	72.	72.
BRISTOL-MYERS SQUIBB CO COM	768.	768.
CONOCOPHILLIPS COM	1,451.	1,451.
DELAWARE POOLED TR INTL EQUITY PORTFOLIO	6,102.	6,102.
DREYFUS/THE BOSTON CA S/C - I #6944	510.	510.
EVERGREEN INTERNATIONAL GROWTH FUND CL I	1,887.	1,887.
EXXON MOBIL CORP COM	1,740.	1,740.
FEDERAL NATL MTG ASSN NT DTD 11/23/2001	4,569.	4,569.
FEDEX CORP COM	174.	174.
GENERAL ELEC CO COM	840.	840.
GENERAL MILLS INC COM W/RTS EXP 02/01/20	525.	525.
HARTFORD FINL SVCS GRP COM	35.	35.
HEWLETT-PACKARD CO COM	360.	360.
HOME DEPOT INC COM	567.	567.
INTL BUSINESS MACHINES CORP COM	1,500.	1,500.
ISHARES MIDCAP INDEX FD	2,322.	2,322.
JP MORGAN CHASE & CO COM	105.	105.
JOHNSON & JOHNSON COM	1,688.	1,688.
JOHNSON CTLS INC COM W/RTS ATTACHED EXP	624.	624.
LINCOLN NATL CORP COM	18.	18.
MCDONALDS CORP COM	622.	622.
MERCK & CO INC NEW	912.	912.
MICROSOFT CORP COM	578.	578.
FEDERATED INVESTORS TREASURY COM	14.	14.
OPPENHEIMER COM STR TR FD Y #739	799.	799.
ORACLE CORP COM	420.	420.
PIMCO FDS PAC INVT MGMT SER TOTAL RETURN	11,628.	11,628.
DML841 5892 05/13/2011 14:20:39		

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
PIMCO FDS PAC INVT MGMT SER HIGH YLD FD	11,413.	11,413.
PEPSICO INC COM	1,023.	1,023.
PFIZER INC COM W/RTS ATTACHED EXP 10/15/	1,152.	1,152.
PIMCO COMMODITY REAL RET STRAT-I#45	9,093.	9,093.
PROCTER & GAMBLE CO COM	1,131.	1,131.
ROWE T PRICE REAL ESTATE FD COM	5,491.	2,708.
SSGA EMERGING MARKETS FD S #1510	2,477.	2,477.
SEALED AIR CORP NEW COM	330.	330.
SEMPRA ENERGY COM	546.	546.
TD AMERITRADE HLDG CORP	35.	35.
TARGET CORP COM	336.	336.
TEXAS INSTRS INC COM	441.	441.
UNITED TECHNOLOGIES CORP COM	1,360.	1,360.
UNUMPROVIDENT CORP COM	249.	249.
VANGUARD BD INDEX FD INC SHORT TERM BOND	5,910.	5,910.
VANGUARD INFLAT PROTECT SEC FD #119	1,946.	1,946.
WELLS FARGO ADV INTL EQ FD INS #4117	707.	707.
FEDERATED GOVT OBLIGATION #5	54.	54.
	-----	-----
TOTAL	99,194.	96,411.
	=====	=====

FORM 990PF, PART I - ACCOUNTING FEES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
TAX PREPARATION FEE (NON-ALLOC	750.			750.
TOTALS	750.	NONE	NONE	750.
	=====	=====	=====	=====

FORM 990PF, PART I - TAXES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FEDERAL TAX PAYMENT - PRIOR YE	779.	
FEDERAL ESTIMATES - PRINCIPAL	780.	
FOREIGN TAXES ON QUALIFIED FOR	931.	931.
FOREIGN TAXES ON NONQUALIFIED	137.	137.
	-----	-----
TOTALS	2,627.	1,068.
	=====	=====

KATZ,H.L. FNDN

51-0171174

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS
=====

DESCRIPTION

ENDING
BOOK VALUE

ENDING
FMV

31359MLS0 FED NATL MTG ASSN

87,133. 88,662.

TOTALS

87,133. 88,662.
=====

KATZ,H.L. FNDN

51-0171174

FORM 990PF, PART II - CORPORATE STOCK
=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
-----	-----	---
437076102 HOME DEPOT INC	16,830.	21,036.
478366107 JOHNSON CONTROLS INC	16,698.	45,840.
580135101 MCDONALDS CORP	17,512.	21,109.
87612E106 TARGET CORP	15,009.	24,052.
370334104 GENERAL MILLS INC	11,653.	17,795.
713448108 PEPSICO INC	22,858.	35,932.
742718109 PROCTER & GAMBLE CO	2,074.	38,598.
20825C104 CONOCOPHILLIPS	16,423.	45,968.
30231G102 EXXON MOBIL CORPORAT	1,687.	73,120.
001055102 AFLAC INC	15,282.	18,622.
060505104 BANK OF AMERICA CORP	52,205.	24,012.
46625H100 JPMORGAN CHASE & CO	21,257.	22,271.
534187109 LINCOLN NATL CORP	26,288.	12,236.
91529Y106 UNUM GROUP	13,561.	17,196.
00817Y108 AETNA INC-NEW	25,145.	15,255.
110122108 BRISTOL MYERS SQUIBB	14,862.	15,888.
478160104 JOHNSON & JOHNSON	41,884.	49,480.
58933Y105 MERCK & CO INC	26,790.	21,624.
31428X106 FEDEX CORPORATION	15,725.	27,903.
369604103 GENERAL ELECTRIC CO	6,017.	36,580.
913017109 UNITED TECHNOLOGIES	25,964.	62,976.
428236103 HEWLETT PACKARD CO	17,487.	37,890.
459200101 INTERNATIONAL BUSINE	62,076.	88,056.
594918104 MICROSOFT CORP	25,019.	29,306.
68389X105 ORACLE CORPORATION	33,159.	65,730.
882508104 TEXAS INSTRUMENTS IN	17,577.	29,250.
81211K100 SEALED AIR CORP	14,857.	16,797.
00206R102 AT & T INC	3,099.	41,132.

KATZ,H.L. FNDN

51-0171174

FORM 990PF, PART II - CORPORATE STOCK
=====

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
TOTALS	578,998. =====	955,654. =====

KATZ,H.L. FNDN

51-0171174

FORM 990PF, PART II - CORPORATE BONDS
=====

DESCRIPTION -----	ENDING BOOK VALUE -----	ENDING FMV ---
04315J209 ARTIO TOTAL RTN BD F	266,185.	276,763.
693390841 PIMCO HIGH YIELD FD	100,000.	149,758.
693390700 PIMCO TOTAL RTN FD	355,828.	377,880.
922031869 VANGUARD INFLATION	70,000.	79,825.
921937207 VANGUARD S/T BD	266,241.	273,734.
26203E836 DREYFUS/THE BOSTON	125,000.	113,200.
26203E851 DREYFUS/THE BOSTON	131,678.	112,823.
464287499 ISHARES TR RUSSELL	95,768.	159,849.
68380Y409 OPPENHEIMER COMMODIT	40,000.	43,050.
784924425 SSGA EMERGING MKT	105,762.	109,698.
94984B348 WELLS FARGO ADVTG	217,242.	222,234.
246248306 DELAWARE POOLED TR	247,263.	173,451.
	-----	-----
TOTALS	2,020,967.	2,092,265.
	=====	=====

KATZ,H.L. FNDN

51-0171174

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION	COST/ FMV C OR F	ENDING BOOK VALUE	ENDING FMV
-----	-----	-----	----
722005667 PIMCO COMMODITY RTN	C	76,634.	101,681.
779919109 T ROWE PRICE RE	C	187,562.	228,792.
		-----	-----
TOTALS		264,196.	330,473.
		=====	=====

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES
=====DESCRIPTION
-----AMOUNT

ADJUST FOR CHANGE OF RECORD KEEPING FROM BOOK TO COST

10,439.

TOTAL

10,439.
=====

STATE(S) WHERE THE FOUNDATION IS REGISTERED
=====

NJ

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES
=====

OFFICER NAME:

WELLS FARGO BANK NA

ADDRESS:

1525 WEST WT HARRIS BLVD

CHARLOTTE, NC 28288

TITLE:

CO TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 40

COMPENSATION 49,450.

OFFICER NAME:

FLORENCE K BERNSTEIN

ADDRESS:

5161 COLLINS AVE APT 1208

MIAMI, FL 33133

TITLE:

CO TRUSTEE

AVERAGE HOURS PER WEEK DEVOTED TO POSITION: 5

COMPENSATION 14,005.

TOTAL COMPENSATION:

63,455.
=====

=====

RECIPIENT NAME:

JEWISH COMMUNITY CENTER

ADDRESS:

501 NORTH JEROME AVE

MARGATE, NJ 08402

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 62,144.

RECIPIENT NAME:

HEBREW OLD AGE CENTER

OF ATLANTIC

ADDRESS:

22 W. JIMMIE LEEDS RD

GALLOWAY TOWNSHIP, NJ 08205

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 34,000.

RECIPIENT NAME:

TROCKI HEBREW ACADEMY H.S

ADDRESS:

6614 BLACK HORSE PIKE

EGG HARBOR TOWNSHIP, NJ 08234

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 20,000.

=====

RECIPIENT NAME:

JEWISH FAMILY SERVICE

ADDRESS:

607 N JEROME AVE

MARGATE, NJ 08402

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

PUBLIC CHARITY

AMOUNT OF GRANT PAID 25,000.

RECIPIENT NAME:

BOARD OF JEWISH EDUCATION

ADDRESS:

501N. JEROME AVE

MARGATE, NJ 8402

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 20,500.

RECIPIENT NAME:

BERON JEWISH

ADDRESS:

1102 ATLANTIC AVENUE

Atlantic City, NJ 8401

RELATIONSHIP:

NONE

PURPOSE OF GRANT:

GENERAL

FOUNDATION STATUS OF RECIPIENT:

501(C)(3)

AMOUNT OF GRANT PAID 61,500.

TOTAL GRANTS PAID:

223,144.

=====

SCHEDULE D
(Form 1041)Department of the Treasury
Internal Revenue Service**Capital Gains and Losses**▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the Instructions for**
Schedule D (Form 1041) (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2010

Name of estate or trust

KATZ, H.L. FNDN

Employer identification number

51-0171174

Note: Form 5227 filers need to complete *only* Parts I and II.**Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a SHORT-TERM CAPITAL GAIN DIVIDENDS		STMT 1			16,540.
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b					1b
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4 Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2009 Capital Loss Carryover Worksheet					4 ()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ▶					5 16,540.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS		STMT 1			12,508.
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b					6b 15,494.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9 Capital gain distributions					9
10 Gain from Form 4797, Part I					10
11 Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2009 Capital Loss Carryover Worksheet					11 ()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ▶					12 28,002.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2010

Part III Summary of Parts I and II**Caution: Read the instructions before completing this part.**

	(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		16,540.
14 Net long-term gain or (loss):			
a Total for year	14a		28,002.
b Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b		
c 28% rate gain	14c		
15 Total net gain or (loss). Combine lines 13 and 14a	15		44,542.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a). If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the **Capital Loss Carryover Worksheet**, as necessary.

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of:	16	()
a The loss on line 15, column (3) or		
b \$3,000		

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the **Capital Loss Carryover Worksheet** on page 7 of the instructions to figure your capital loss carryover.

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero.

Caution: Skip this part and complete the worksheet on page 8 of the instructions if:

- Either line 14b, col. (2) or line 14c, col. (2) is more than zero, or
- Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero. Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col. (2) or line 14c, col. (2) is more than zero.

17 Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18 Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19 Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20 Add lines 18 and 19	20		
21 If the estate or trust is filing Form 4952, enter the amount from line 4g; otherwise, enter -0-	21		
22 Subtract line 21 from line 20. If zero or less, enter -0-	22		
23 Subtract line 22 from line 17. If zero or less, enter -0-	23		
24 Enter the smaller of the amount on line 17 or \$2,300	24		
25 Is the amount on line 23 equal to or more than the amount on line 24?			
<input type="checkbox"/> Yes. Skip lines 25 and 26; go to line 27 and check the "No" box.	25		
<input type="checkbox"/> No. Enter the amount from line 23	26		
26 Subtract line 25 from line 24	26		
27 Are the amounts on lines 22 and 26 the same?			
<input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31	27		
<input type="checkbox"/> No. Enter the smaller of line 17 or line 22	28		
28 Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29 Subtract line 28 from line 27	29		
30 Multiply line 29 by 15% (15)		30	
31 Figure the tax on the amount on line 23. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		31	
32 Add lines 30 and 31		32	
33 Figure the tax on the amount on line 17. Use the 2010 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		33	
34 Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)		34	

Schedule D (Form 1041) 2010

Employer identification number

51-0171174

[illegible]

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b	15,494.00
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Schedule D-1 (Form 1041) 2010

FEDERAL CAPITAL GAIN DIVIDENDS

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SHORT-TERM CAPITAL GAIN DIVIDENDS

ARTIO TOTAL RETURN BD FD CL I #1524	3,821.00
PIMCO FDS PAC INVT MGMT SER TOTAL RETURN FD I	12,275.00
VANGUARD BD INDEX FD INC SHORT TERM BOND INDE	439.00
FEDERATED GOVT OBLIGATION #5	6.00

TOTAL SHORT-TERM CAPITAL GAIN DIVIDENDS

16,540.00

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LONG-TERM CAPITAL GAIN DIVIDENDS

15% RATE CAPITAL GAIN DIVIDENDS

AOL TIME WARNER INC COM	41.00
ARTIO TOTAL RETURN BD FD CL I #1524	39.00
PIMCO FDS PAC INVT MGMT SER TOTAL RETURN FD I	6,040.00
VANGUARD BD INDEX FD INC SHORT TERM BOND INDE	5,613.00
	775.00

TOTAL 15% RATE CAPITAL GAIN DIVIDENDS

12,508.00

TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS

12,508.00

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